

**RESOLUTION APPROVING THE AMENDMENT OF  
THE CITY OF FREEPORT BUSINESS SUBSIDY CRITERIA**

WHEREAS, Minnesota Statutes, sections 116J.993 to 116J.995 (the "Act"), governmental subdivisions that grant business subsidies, as defined in the Act are required prior to granting any such business subsidies to adopt business subsidy criteria, and

WHEREAS, following a proper notice and conducting a public hearing, the City of Freeport adopted Business Subsidy Criteria on September 28, 1999, and

WHEREAS, the City of Freeport has found it necessary to amend the Business Subsidy Criteria to provide for the establishment of a wage rate for job creation goals as well as to better define the public purpose to be accomplished by projects that are being considered to receive a business subsidy;

**NOW THEREFOR BE IT RESOLVED BY THE CITY OF FREEPORT:**

The following Business Subsidy Criteria serves to replace the previously established criteria:

The City hereby expresses its support for the use of business subsidies that meet the below listed criteria. However, the City reserves the right to approve or reject the use of business subsidies for new commercial or industrial projects and or the rehabilitation and/or expansion of businesses already within the City on an individual basis. The criteria or goals to be taken into consideration by the City are as follows:

1. If a redevelopment project, the project will remove, prevent or reduce slums and/or blight, thereby protecting property values and the general public health, safety, and welfare.
2. The use of business subsidy is necessary to retain and/or attract competitive and financially sound and healthy commercial and industrial companies that provide significant employment potential and opportunity to broaden the tax base.
3. The project must be generally consistent with the City's Comprehensive Plan.
4. The use of the business subsidy should encourage quality construction and promote the highest and best use of land.
5. The project will promote completion of major public improvement projects within the community with special emphasis given to the installation of trunk sewer and water lines and major transportation projects.
6. The project will not significantly and adversely increase the impacts on existing service needs in the City.
7. The project will not proceed in its present design and time table without the business subsidy.
8. The project proposed is generally compatible with the City's overall development plans and objectives and with those of the area for which the project is to be located.

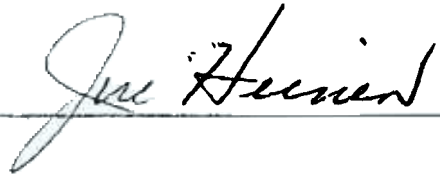
9. The project meets all requirements outlined in Minnesota Statutes, as may be amended from time to time.
10. The business subsidy for commercial projects should encourage substantial redevelopment of substandard properties or should provide a service, which is currently not offered in the community.
11. The project should result in the creation or retention of jobs, which pay a livable wage in the area. The City will consider granting subsidies to businesses that pay \$7.00 per hour plus benefits. The value of benefits will not be defined, as it is believed that this will vary depending upon the size and nature of the individual businesses receiving assistance.

The City, when considering projects that request assistance, will base their decision on the merits of the project and its economic benefit to the community (i.e., the increased tax base and the jobs that will result from the project). The City will also consider the contributions that the project makes to the community's overall development plan and how it complements existing services and businesses.

Adopted this 25<sup>th</sup> day of September, 2002.

  
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Mayor

Attest:

  
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**CITY OF FREEPORT**  
**Criteria for Business Subsidies**

*The City of Freeport originally approved Business Subsidy Criteria on September 28, 1999. In an effort to better define the public purpose criteria and the wage floor required by Minnesota Statutes, the City conducted a public hearing on September 25, 2002 to modify their business subsidy criteria. This document serves to replace the old criteria.*

The City hereby expresses its support for the use of business subsidies that meet the below listed criteria. However, the City reserves the right to approve or reject the use of business subsidies for new commercial or industrial projects and/or the rehabilitation and/or expansion of businesses already within the City on an individual basis. The criteria or goals to be taken into consideration by the City are as follows:

1. If a redevelopment project, the project will remove, prevent or reduce slums and/or blight, thereby protecting property values and the general public health, safety, and welfare.
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